

**PERHAM CITY COUNCIL  
REGULAR MEETING MINUTES**

**June 11, 2012**

The regular meeting of the Perham City Council was called to order by Mayor Meehl at 5:15 pm in the Council Chambers of the City Administration Building at 125 Second Avenue NE, Perham, Minnesota, all members of the Council having been duly notified of the meeting and the business to be transacted. All Council Members were present.

Staff present: City Manager Klemm, Finance Officer Stokke, EDA Director Johnson, Police Chief Hoaby and Administrative Assistant Nundahl.

Others present: City Engineer Berube, Building Official Neisen, City Attorney Happel

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Mayor Meehl requested all in attendance to rise for the Pledge of Allegiance.

**CITIZENS CONCERNS**

Mayor Meehl requested those present to rise if they wanted to address the Council.

Mayor Meehl recognized Brian Walz who lives 404 5<sup>th</sup> Street NW. Mr. Walz thanked Council and staff for the efforts in assisting with dust control and enforcing the truck route. Walz stated he has had conversations with representatives from KLN and the situation has improved greatly and he hopes that the City will continue to be diligent with this matter.

**APPROVAL OF AGENDA**

Mayor Meehl stated Council Members and Staff may add items to the Agenda which requires Council action.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the agenda as presented.

**CONSENT AGENDA**

Mayor Meehl stated all items listed with an asterisk (\*) will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event, the item will be removed from the general order of business and considered separately in its normal sequence on the agenda.

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the Consent Agenda as presented.

**\*APPROVAL OF MINUTES**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the minutes of the Regular Meeting of the Council held on May 14<sup>th</sup> and Special Meeting held on June 5, 2012.

**APPROVAL FOR PAYMENT OF CITY CLAIMS**

Mayor Meehl stated Council may wish to approve City claims. Finance Officer Stokke requested Council consider one additional claim: U.S. Energy in the amount of \$274,014.55.

On a motion by Council Member Spencer, seconded by Council Member Lehmkuhl and carried without a dissenting vote, the Council approved payment of City Claims in the amount of \$1,821,587.62 for the month of May, 2012.

**SALE OF FILL MATERIAL**

Mayor Meehl stated Council may wish to consider selling fill material from the Wastewater Treatment Facility to the contractor doing work for the Highway 10/CSAH 34 Interchange Project.

City Manager Klemm stated information was sent to all of the prime bidders for the Highway 10/CSAH 34 Interchange Project offering fill from the City's wastewater site for \$.50 / cubic yard. Approximately 400,000 cubic yards of material will be needed to be moved from the site and approximately 120,000 cubic yards will be needed for the interchange project.

City Manager Klemm stated Central Specialties is the low bidder for the interchange project and they have discussed taking fill from the wastewater site. Central Specialties has found another excavation site closer to the project so in order for the material from the City to be more cost effective, they need to receive the material for free. City Manager Klemm requested the Council authorize staff to continue to negotiate to sell the fill material and if an agreement cannot be made, staff is authorized to give the fill away at no cost. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized staff to negotiate with Central Specialties on a price for fill material from the wastewater site or to give the fill material away for free.

**\*SALE OF EQUIPMENT/LANDMARK LIQUOR**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the sale of 4 wooden wine racks and the ice machine.

**\*ROAD RACES**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council authorized the use of City facilities for two road races; a Turtle Fest 5k and 10k is scheduled for Saturday, June 23 and a Half Marathon and 5k is scheduled for Saturday, July 28th.

**\*TEMPORARY ON-SALE LIQUOR LICENSE**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved temporary On-Sale Liquor Licenses for St. Henry's Catholic Church for June 29<sup>th</sup> and August 19, 2012, contingent upon all fees and legal requirements being met as required by the City.

**\*ACCEPTANCE OF PERHAM LAKESIDE GOLF CLUB INCOME STATEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted PLGC's Income Statement for April 2012.

**\*ACCEPTANCE OF PERHAM AREA COMMUNITY CENTER'S FINANCIAL REPORTS**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted PACC's Financial Reports for April 2012.

**\*ACCEPTANCE OF THE CITY'S FINANCIAL REPORTS**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted the following reports for May, 2012: Cash Balance and Investment Summary, Budget Summary – Revenue and Expense, Enterprise Financials and Utility Aging Report.

**KEEP-IT-LOCAL.COM/JOBZ**

Mayor Meehl stated Council may wish to consider amending the Business Subsidy Agreement to reduce the number of jobs created by KeepItLocal.com. EDA Director Johnson stated the EDA has endorsed a request from Keep It Local to change its job goals from the JOBZ contract that was established in 2004 from the current 9.5 jobs to 6. Due to market conditions, Keep It Local was unable to maintain the 9.5 employees and feels they will not be able to do so in the future.

EDA Director Johnson stated conversations with our DEED Representative indicated that they would approve the request but in doing so, the length of their JOBZ Business Subsidy Agreement would be reduced from the current December 15, 2015 to August 2, 2012. The owner and business manager of Keep It Local acknowledges the reduction in benefits. Johnson stated that they will need to maintain the 6 FTE throughout the balance of the Agreement otherwise they would be subject to a Clawback whereby they could be required to pay back two years of JOBZ benefits. Discussion ensued.

On a motion by Council Member Johnson, seconded by Council Mattfeld and carried without a dissenting vote, the Council approved Resolution No. 2012 – 23 entitled "Amendment To Job Opportunity Building Zone Business Subsidy Agreement Between The City Of Perham And KeepItLocal.COM".

**STREET VACATION/5<sup>TH</sup> AVENUE NW**

Mayor Meehl stated Council may wish to consider vacating a portion of 5<sup>th</sup> Avenue NW.

Council Member Lehmkuhl stated Terry Karkela is considering adding onto his current office building and has requested Council vacate the portion of 5<sup>th</sup> Avenue NW located north of Main Street to the railroad tracks. Joe Esser, who owns the adjoining property, agrees to the vacation and is considering demolishing the vacant Gary's Electric building for additional parking. Lehmkuhl stated the Planning Commission held a public hearing regarding this matter and is recommending Council approve the street vacation. It was noted; a utility easement is in place and will not be effected by the vacation. Discussion ensued.

On a motion by Council Member Lehmkuhl, seconded by Council Member Spencer and carried without a dissenting vote, the Council approved Resolution No. 2012 – 24 entitled “Resolution In The Matter Of Granting The Vacation Of A Portion Of 5<sup>th</sup> Avenue NW Between Blocks 1 And 2 Of Rothpletz Addition, Perham Minnesota”.

**\*ASSIGNMENT OF TIF AGREEMENT**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved Resolution No. 2012 – 25 entitled “Resolution Assigning Tax Increment Proceeds”.

**\*ACCEPTANCE OF THE BUILDING PERMIT REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted the Building Permit Report for May 2012.

**CITY ENGINEER MONTHLY UPDATE**

Mayor Meehl stated City Engineer will give an update on various projects.

*Third Street Northwest and Lake Avenue*

City Engineer Berube stated concrete work along County Highway 8 is currently being constructed. Curb was completed last week and sidewalks and driveways will be completed this week. Final televising and raising of manholes to final grade should be completed this week with final paving scheduled for either the end of this week or early next week. The project must be completed by June 30<sup>th</sup>.

*Fifth Avenue Southeast*

City Engineer Berube stated paving is scheduled for next week with all other punch list items remaining for next week as well. Turf will need to be verified prior to closeout. The contractor has completed most of the items previously outlined on the correction and completion list with only minor additional items remaining. The project must be completed by June 30<sup>th</sup>.

**\*EMERGENCY OPERATIONS PLAN**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council approved the Radiological/Hazardous Materials Section of the Emergency Operations Plan.

**\*ACCEPTANCE OF THE MONTHLY POLICE REPORT**

On a motion by Council Member Mattfeld, seconded by Council Member Johnson and carried without a dissenting vote, the Council accepted the Monthly Police Report for May 2012.

**INFORMATION AND ANNOUNCEMENTS**

The League of Minnesota Cities Annual Conference and Marketplace is scheduled for June 20 – June 22

Turtle Fest is scheduled for June 16 – June 24

Committee of the Whole is scheduled for June 27 at 5:15

The next Regular Council Meeting is scheduled for July 9 at 5:15 pm

The Household Hazardous Waste is scheduled for Wednesday, July 25 from 10:00 to 2:00.

**ADJOURNMENT**

On a motion by Council Member Lehmkuhl, seconded by Council Member Johnson and carried without a dissenting vote, the meeting was adjourned at 5:33 p.m.

Respectfully submitted by,



Fern Nundahl  
Administrative Assistant